GOVERNMENT OF INDIA
PERSONNEL,PUBLIC GRIEVANCES AND PENSIONS
LOK SABHA

UNSTARRED QUESTION NO:461
ANSWERED ON:07.07.2004
PURCHASING BRANDED ITEMS AT HIGHER PRICES
Singh Shri Prabhunath

Will the Minister of PERSONNEL,PUBLIC GRIEVANCES AND PENSIONS be pleased to state:

(a) whether the Kendriya Bhandar is purchasing computers, HP cartridges and other branded items at higher prices in contravention of the revised purchase policy, 2003;

(b) if so, whether the matter has been investigated by the Government; and

(c) the action taken/proposed to be taken against the persons responsible for violating the purchase policy?

Answer

MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTRY AFFAIRS.(SHRI SURESH PACHOURI)

(a) to (c): The Purchase Policy of Kendriya Bhandar provides that products will be procured from manufacturers and where the manufacturers express their inability for direct marketing, purchases will be made from their authorized distributors/agencies. As per information received from Kendriya Bhandar M/s Hewlett Packard do not undertake direct selling of cartridges. They have appointed their national distributors and apart from that, M/s HP India also appoints their RSR (Registered Supplies Reseller). As per M/s Hewlett Packard business model, even their national distributors are not permitted to undertake the direct selling to customer and they only sell/supply to their RSRs. It is the RSRs, who make the payments to the national distributors, maintain inventory and do the marketing. Kendriya Bhandar have therefore entered into a tripartite agreement with M/s Hewlett Packard and their RSRs duly appointed/authorized by them.